The Influence of Digital Marketing on Repurchase Intentions Mediated by Trust in the Shopee Marketplace in Denpasar City

Loria Oki Lufti1, Gede Suparna2
1,2Faculty of Economics and Business, Udayana University, Denpasar, Bali, Indonesia

ABSTRACT: The rapid development of the Internet has a big impact on all aspects, including the business world. Internet usage has changed people's consumption behaviour from conventional shopping become to online shopping, especially through marketplaces. A marketplace is a place for selling also marketing products and services using Internet, one of which marketplaces in Indonesia is Shopee. Research objectives to explain the impact of digital marketing on repurchase intentions mediated by trust in the marketplace Shopee. The research was conducted in Denpasar City with a total sample of 100 respondents with using purposive sampling method. The data analysis technique used was path analysis, Sobel test, and VAF test. Calculations were performed using IBM SPSS Version 22 software. The results on the research turn to digital marketing and trust has a positive and significant impact on repurchase intention, digital marketing has a positive and also significant impact on trust, and trust is positively and significantly as a mediate variable impact of the digital marketing. This research is expected to provide empirical studies in management science, especially marketing, and can be a consideration for Shopee companies and sellers in designing and developing product marketing strategies related to digital marketing, trust, and repurchase intentions.

KEYWORDS: Digital marketing, repurchase intentions, trust, marketplace

I. INTRODUCTION

The modern world currently experiencing rapid developments in technology and information, providing many conveniences in obtaining information and being able to change people's behavior in transactions for their needs (Fatmawati, 2020). We Are Social report showing 77 percent of Indonesia's population as active internet users or 212.9 million people in January 2023. Internet use has changed people's consumption behavior in shopping from conventional to happier shopping online, especially through marketplaces (Diawati et al., 2021; Maulida & Purwanto, 2022).

Marketplace is an application between sellers and buyers in online transactions in cyberspace and acts as a third party (Ma’rufah et al., 2022). Community activities for online shopping through the marketplace be seen from the online store visitor data compiled by iPrice in the fourth quarter of 2021. Shopee was in second place as the e-commerce application with the most users in Indonesia with 138,776,700 visitors. Shopee was previously ranked #1 in Indonesia with 129,320,800 visitors in the fourth quarter of 2020 (iPrice, 2020). According to data from the Central Statistics Agency regarding e-commerce statistics, 2022 shows a survey of business actors who have used e-commerce to sell their products. As of September 15, 2022, 34.10 percent of Indonesian business actors have been selling on e-commerce. Meanwhile, the remaining 65.90 percent of business actors are still selling offline.

Based on the pre-survey was found that consumers' repurchase intentions at the Shopee marketplace were still not as planned. It can be influenced by many factors such as the role of digital marketing from business owners who are less than optimal or promotional content that is less creative and innovative. Some respondents were also still cautious about transacting online through the Shopee marketplace. This can be due to uncertainty and risk, compared to transactions carried out conventionally. The risks that may arise in online purchases will of course affect the level of consumer confidence in online businesses (Periamsyah et al., 2018) high risks will also lead to lower intention to repurchase consumers (Dianti, 2023)

Repurchase intention is the ability for consumers to continue to buy products and services from the same online store they visit and buy from the same online channel that they are interested in shopping and are willing to recommend the online channel to other potential customers (Larasetiati & Ali, 2019). By using digital marketing, business actors can have the opportunity to increase the repurchase intention of prospective buyers with a large reach of consumers (Wati et al., 2020: 12). Digital marketing refers to both organization and process that support communication and deliver value to customers and other stakeholders through digital technology (Kotler et al., 2019: 106). Previous research by Melia (2023) and Ardisa et al., (2022) said Consumer repurchase intentions.

The risks that may arise in online purchases will of course affect the level of consumer confidence in online businesses (Periamsyah et al., 2018) high risks will also lead to lower intention to repurchase consumers (Dianti, 2023)
The Influence of Digital Marketing on Repurchase Intentions Mediated by Trust in the Shopee Marketplace in Denpasar City

Including intermediate variables is important because there are still gaps in previous research. The relevant intermediate variable used is the confidence variable, because online transactions have different certainty and information. There must be mutual trust between sellers and buyers (Rohmah, 2021). Trust is the belief that buyers believe in the ability of online sellers to guarantee security when making payment transactions and ensure that transactions are processed immediately (Lailiya, 2020). Research by Syahidah (2021) said consumer’s trust impacted by digital marketing, and Sanny et al., (2020) showed that repurchase intentions impacted by trust.

II. HYPOTHESIS DEVELOPMENT AND CONCEPTUAL MODEL

Hypothesis

1. The Effect of Digital Marketing on Repurchase Intention

The existence of online sales competition makes companies required to continue to innovate in developing marketing strategies. By using digital marketing, it will be easier for companies to reach their target market (Pangkey et al., 2019). In addition, consumers can easily access the product information offered, so that when consumers determine the goods or services they want to buy, they will be influenced by several factors, including product quality, satisfaction, and digital marketing, which in turn will have implications for repurchasing intentions (Tajudinnur et al., 2022).

Research by Ardisa et al., (2022) and Romadlon et al., (2020) which states that digital marketing has a significant positive impact on purchase intention. Likewise, research by Zaraswati & Setyawati (2023) states that repurchase intentions was impacted positively and significant by digital marketing. A proposed hypothesis based on previous research:

H1 : Digital marketing has a positive and significant effect on repurchase intention

2. The Effect of Digital Marketing on Trust

Using digital marketing can allow potential customers to find information related to products by simply searching through cyberspace (Irifani et al., 2020). Even though companies have carried out digital marketing activities, consumers still fear when shopping online, there is communication between buyers and sellers on online platforms is so low that potential buyers have to be careful when buying (Melia, 2023). Trust is important in online business because online shopping is more risky than traditional shopping. So businesses need to be able to build trust and attract consumers to shop online (Asri et al., 2022).

Research by Syahidah (2021) says digital marketing and consumer trust there’s direct impact in that between. Consumer trust was impacted by digital marketing (Oktaviani et al., 2022). The proposed hypothesis is based on previous research:

H2 : Digital marketing has a positive and significant effect on trust

3. The Effect of Trust on Repurchase Intention

Online purchase transactions are attempted without meeting directly between sellers and consumers, so the consumer trust in sellers on an online site is the important thing Asri et al., (2022). If one party trusts the other he can have a positive attitude and good intentions (Liliyan, 2020). Positive consumer thinking is formed due to a high level of trust when making online purchases on marketplace sites, so consumers will have the intention to transact again at the same marketplace (Riyanti & Suprapti, 2018).

Research by Masitho et al., (2018) (Dwipayana & Sulistyawati, 2018) and (Adinata & Yasa, 2018) said that repurchase intentions was impacted by brand trust. A hypothesis is proposed based on previous research:

H3 : Trust has a significant and positive effect on repurchase intention.

4. The Role of Trust in Mediating the Effect of Digital Marketing on Repurchase Intention

Increasing consumer usage of digital media, makes companies use digital marketing to reach the target market. Digital marketing can influence consumer perceptions, and ultimately influence consumer buying interest (Herlisha & Fitari, 2021). Consumer repurchase decisions will be higher on a product if it can create consumer confidence in products or services (Wicaksmono & Ellyawati, 2020). Repurchase intention and digital marketing were impacted by trust as a mediating variable, where the rise or fall of consumer repurchase intention is inseparable from the role of trust.

Ardisa et al., (2022) states that repurchase intentions impacted by digital marketing, research by Syahidah (2021) that digital marketing and consumer trust there’s a direct effect between that variables, research by Adinata & Yasa (2018) trust also had a significant and positively impact to repurchase intention and research by (Ang & Andreani, 2022) consumer trust mediates social media marketing on purchase intention. The proposed hypothesis is based on previous studies:

H4 : Trust is able to mediate the effect of digital marketing on repurchase intention significantly
The Influence of Digital Marketing on Repurchase Intentions Mediated by Trust in the Shopee Marketplace in Denpasar City

III. RESEARCH METHODS

The research uses a quantitative method with a causal sub-method. This research explores the relationship between digital shopping method variables and repurchase intention through trust in Shopee market in Denpasar city. Consumer behavior at the Shopee marketplace in Denpasar City was the object who obtaining product information through digital marketing and its effect on consumer trust in advertising and consumer repurchase intentions for products. This study used 100 samples and using the nonprobability sampling method. Purposive sampling was used according to the following criteria: a) Have made purchases at least 2 times through the marketplace Shopee within the last 2 months; b) Respondents with at least high school, age 18 years and over who are considered able to understand the contents of the questionnaire well. The research tool is to distribute the questionnaire online through Google Forms in descriptive format. The questionnaires are tested for feasibility using validity and reliability tests.

IV. RESULT OF RESEARCH AND DISUSSION

Table 1. Validity Test Result

<table>
<thead>
<tr>
<th>No</th>
<th>Var</th>
<th>Indicator</th>
<th>Pearson Correlation</th>
<th>Categories</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Digital Marketing (X)</td>
<td>X_1</td>
<td>0.760</td>
<td>Valid</td>
</tr>
<tr>
<td></td>
<td></td>
<td>X_2</td>
<td>0.722</td>
<td>Valid</td>
</tr>
<tr>
<td></td>
<td></td>
<td>X_3</td>
<td>0.716</td>
<td>Valid</td>
</tr>
<tr>
<td></td>
<td></td>
<td>X_4</td>
<td>0.761</td>
<td>Valid</td>
</tr>
<tr>
<td>2</td>
<td>Trust (Y_1)</td>
<td>Y_1.1</td>
<td>0.880</td>
<td>Valid</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Y_1.2</td>
<td>0.810</td>
<td>Valid</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Y_1.3</td>
<td>0.929</td>
<td>Valid</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Y_1.4</td>
<td>0.865</td>
<td>Valid</td>
</tr>
<tr>
<td>3</td>
<td>Repurchase Intention (Y_2)</td>
<td>Y_2.1</td>
<td>0.785</td>
<td>Valid</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Y_2.2</td>
<td>0.782</td>
<td>Valid</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Y_2.3</td>
<td>0.633</td>
<td>Valid</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Y_2.4</td>
<td>0.797</td>
<td>Valid</td>
</tr>
</tbody>
</table>

Source: Primary data processed, 2023

According to the validity test results of 30 samples in Table 1 the digital marketing variables repeated purchase intention and trust issues show that the Pearson correlation value is greater than 0.3 ($r \geq 0.3$) therefore all values are known to be valid.

Table 2. Reliability Test Result

<table>
<thead>
<tr>
<th>No</th>
<th>Variable</th>
<th>Cronbach’s Alpha</th>
<th>Categories</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Digital Marketing (X)</td>
<td>0.722</td>
<td>Reliabel</td>
</tr>
<tr>
<td>2</td>
<td>Trust (Y1)</td>
<td>0.892</td>
<td>Reliabel</td>
</tr>
<tr>
<td>3</td>
<td>Repurchase Intention (Y2)</td>
<td>0.720</td>
<td>Reliabel</td>
</tr>
</tbody>
</table>

Source: Primary data processed, 2023

Based on the reliability test results of 30 samples in Table 2 shows that the value of Cronbach alpha digital marketing (0722) repurchase intention (0720) and trust (0892) in the question of each variable is from 060 to declared. more All valid values of each variable.
The Influence of Digital Marketing on Repurchase Intentions Mediated by Trust in the Shopee Marketplace in Denpasar City

Table 3. Path Analysis Test Result Regression 1

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
</tr>
<tr>
<td>1 (Constant)</td>
<td>8.207</td>
<td>1.127</td>
<td>0.619</td>
<td>7.280</td>
</tr>
<tr>
<td>Digital Marketing</td>
<td>0.527</td>
<td>0.068</td>
<td>0.619</td>
<td>7.801</td>
</tr>
<tr>
<td>R. Square</td>
<td>0.383</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>F. Statistic</td>
<td>60.850</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sig. F</td>
<td>0.000</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Primary data processed, 2023

According to the data in Table 3 the structural equations can be set up as follows:

Y1 = β1X1 + e1
Y1 = 0.619 X + e1

Table 4. Path Analysis Test Result Regression 2

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
</tr>
<tr>
<td>1 (Constant)</td>
<td>8.083</td>
<td>1.286</td>
<td>0.628</td>
<td>6.287</td>
</tr>
<tr>
<td>Digital marketing</td>
<td>0.304</td>
<td>0.79</td>
<td>0.394</td>
<td>3.847</td>
</tr>
<tr>
<td>Trust</td>
<td>0.257</td>
<td>0.93</td>
<td>0.284</td>
<td>2.774</td>
</tr>
<tr>
<td>R. Square</td>
<td>0.374</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>F. Statistic</td>
<td>28.941</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sig. F</td>
<td>0.000</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Primary data processed, 2023

From the data presented in Table 3 the following structural equations can be formulated:

Y2 = β2X2 + β3Y1 + e2
Y2 = 0.394 X + 0.284 Y1 + e2

Table 5. Calculation Result of Direct Effect, Indirect Effect and Total Effect

<table>
<thead>
<tr>
<th>Var Effect</th>
<th>Direct Effect</th>
<th>Indirect Effect</th>
<th>Total Effect</th>
</tr>
</thead>
<tbody>
<tr>
<td>Digital Marketing → Trust</td>
<td>0.619</td>
<td>0.619</td>
<td></td>
</tr>
<tr>
<td>Trust → Repurchase Intention</td>
<td>0.284</td>
<td>0.284</td>
<td></td>
</tr>
<tr>
<td>Digital Marketing → Repurchase Intention</td>
<td>0.394</td>
<td>0.176</td>
<td>0.570</td>
</tr>
</tbody>
</table>

Source: Primary data processed, 2023

Sobel Test

\[ Z = \frac{ab}{S_{ab}} \]

\[ Z = \frac{0.527 \times 0.257}{\sqrt{0.527^2 + 0.068^2 + 0.093^2}} \]

\[ = 2.595 > 1.96 \]

The calculated Sobel test results show a Z coefficient of 2.595 > 1.96 with a significance of 0.000 < 0.05. The Sobel test results show that trust as a parameter can be positive and also significant impacted of digital marketing on repurchase intentions. So that the fourth hypothesis (H4) is accepted.
The Influence of Digital Marketing on Repurchase Intentions Mediated by Trust in the Shopee Marketplace in Denpasar City

VAF Test

\[
VAF = \frac{\text{indirect effect}}{\text{direct effect} + \text{indirect effect}} = \frac{0.176}{(0.527\times0.257)+0.176} = 0.564 \sim 56.4\% 
\]

The formulated value of 56.4%, if between 20% - 80%, can be categorized as partial mediation. The result indicates that trust can partially mediate the influence of digital marketing on repurchase intentions on Marketplace Shopee in Denpasar City. Digital marketing variables with or without trust variables can still can be direct impact on the variable repurchase intention variables.

V. DISCUSSION OF RESEARCH RESULTS

1. The Effect of Digital Marketing on Repurchase Intention

Digital marketing on repurchase intention obtain a F coefficient of 28.941 with a significance level of 0.000 ≤ 0.05. The meaning is the equation is feasible or valid in explaining the impact of digital marketing and trust on repurchase intention. In this study obtain a β2 coefficient is 0.394 with a significance value of 0.000 ≤ 0.05 indicate that the digital marketing variable has a significant and also positive effect on repurchase intention. If digital marketing increases, repurchase intention will increase by 0.394.

Hypothesis show that digital marketing has a significant positive effect on repeat purchase intentions.

The results of the study illustrate more actively digital marketing is used, higher the probability of customer repurchase intention in Marketplace Shopee. Shopee has been able to attract consumers attention and can be recognized through advertising or marketing content on the Internet, because Shopee uses trend-following marketing techniques by collaborating with artists such as Gfriend, Stray Kids, Blackpink, Joe Taslim, and Amanda Manopo. Shopee also focuses on marketing on social media TikTok, Instagram, Web Site and Youtube to attract their target market.

Research by Ardisa et al., (2022), Zaraswati & Setyawati (2023) stated that repurchase intention was impacted by digital marketing and had a positive and significant effect. However, it still contradicts the findings from research by Omar & Atteya (2020) which states that there is a negative influence on buying decisions impacted by digital marketing. The difference in these findings can be due to differences in research locations, research objects and indicators used.

2. The Effect of Digital Marketing on Trust

The impact of digital marketing on earned trust a F coefficient of 60.850 with a significance level of 0.000 ≤ 0.05. The meaning is the equation is feasible or valid in explaining the impact of digital marketing on repurchase intention. β1 coefficient is 0.619 with a significance value of 0.000 ≤ 0.05 indicate that the digital marketing has a significant positive impact on trust. If digital marketing increases, trust will increase by 0.619. The hypothesis testing show that trust was impacted positive and significant by digital marketing. Consistent with this study by Syahidah (2021), Hapsoro & Sukresna (2022) stated that consumer’s trust was impacted positively by digital marketing.

3. The Effect of Trust on Repurchase Intention

Deriving the effect of reliability on repurchase intention a β3 coefficient is 0.284 with a value of 0.007 ≤ 0.05 indicate that consumer’s trust has a significant and positive impact on repurchase intention. If trust increases, repurchase intention will increase by 0.284. The results of hypothesis conducted that trust has a significant positive impact on repurchase. Yolandari & Kusumadewi (2018) and Ningrum et al., (2021) stated that trust has a significant and also positive impacted on repurchase intention.

4. The Role of Trust in Mediating the Effect of Digital Marketing on Repurchase Intention

Sobel derives the effect of trust in the effectiveness of digital marketing tools on repeat purchase intentions. Test results indicate that Z = 2.595 > 1.96 and a significance level of 0.000 < 0.05. The sobel test results mean that trust as a mediating variable significantly positive can to mediate the impact of digital marketing. Confidence can be classified as mediated in part based on the results of the VAF test. This means if Shopee digital marketing continues improved, it will encourage consumer trust in
The Influence of Digital Marketing on Repurchase Intentions Mediated by Trust in the Shopee Marketplace in Denpasar City

advertisements and products on the marketplace Shopee. Increased consumer trust will have an impact on high repurchase intention on marketplace Shopee in Denpasar City.

Consistent with studies conducted by the following researchers of Ardisa et al., (2022) stated digital marketing has effect on repurchase intention. Hapsoro & Sukresna (2022) stated digital marketing trust has a positively significant impact on trust, and by Ningrum et al., (2021) that repurchase intentions was impacted positively by consumer’s trust.

VI. CONCLUSIONS

Shopee in Denpasar was impacted by digital marketing that had a positive significant effects on the buyback intentions. Therefore the more intensively digital marketing is used the more likely a repeat purchase will be for a customer in the shoppi marketplace. Digital marketing has a huge positive impact. Confidence in Shopee Market in Denpasar. Hence the study shows that the better information communicated through digital marketing has a higher level of consumer confidence in the products sold on the Shopee marketplace. Repurchase intentions was impacted positively by consumer’s trust. This shows that if Shopee's digital marketing continues to improve, it will encourage consumer confidence in advertisements and products on the Shopee marketplace. Increased consumer confidence will then have an impact on the high repurchase intention of Shopee consumers in Denpasar City. Next research results are that companies can further optimize the use of online sites in placing digital advertisements to reach a wider market, by including a unique tagline and visual appearance to attract the attention of consumers. In addition, the seller should provide an explanation of product information in the form of pictures or descriptions submitted according to what is stated in the ad or information column. The seller can also optimally improve two-way communication sothat customers can feel confident and trust the product information conveyed.

ACKNOWLEDGMENT

The author's gratitude goes to Dr. Gede Suparna, S.E., M.S. lecture in the Management Program at Udayana University, who has guided the author completing this research.

REFERENCES


The Influence of Digital Marketing on Repurchase Intentions Mediated by Trust in the Shopee Marketplace in Denpasar City


22) https://doi.org/10.5539/ijbm.v15n7p120


IJJSSHR, Volume 06 Issue 08 August 2023 www.ijsshr.in Page 4793
The Influence of Digital Marketing on Repurchase Intentions Mediated by Trust in the Shopee Marketplace in Denpasar City


There is an Open Access article, distributed under the term of the Creative Commons Attribution – Non Commercial 4.0 International (CC BY-NC 4.0) (https://creativecommons.org/licenses/by-nc/4.0/), which permits remixing, adapting and building upon the work for non-commercial use, provided the original work is properly cited.